

March 30, 2009

<u>Via Electronic Filing</u>
Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

Re: March 30, 2009 Form 525 filing with Tribal Lands Exception; and Federal-State Joint Board on Universal Service, CC Doc. No. 96-45; and High-Cost Universal Service Support, WC Docket No. 05-337

Dear Ms. Dortch:

Sagebrush Cellular, Inc. ("Sagebrush") is respectfully filing this letter in conjunction with its March 30th, 2009 Form 525 submission. We feel this letter is required for the FCC and USAC to establish a record that follows our December 30th, 2008 response to Commission's Public Notice issued on December 10, 2008, and designated DA 08-2684 in the above-referenced proceedings (the "Notice"), and our December 30th, 2008 Form 525 in which we elected to utilize the tribal land exception to the interim, emergency cap that the Commission established in its May 1, 2008 *Interim Cap Order*.

The Notice was issued in the context of the Commission's May 1, 2008 *Interim Cap Order* decision to establish an interim, emergency cap on the amount of universal service high-cost support that competitive ETCs (CETCs), including Sagebrush, may receive. In accordance with the *Interim Cap Order*, the CETC support for each state is capped, on an annualized basis, at that the level of support that each CETC in a state was eligible to receive during March 2008.

In the interval since the release of the *Interim Cap Order*, the FCC and USAC have not provided specific guidance for CETCs electing the tribal land exception to modify and appropriately report their tribal land exempted lines in their Form 525 submissions. Therefore we are utilizing our December 30th, 2008 letter, and this letter to specifically identify the lines that historically qualify for the exception.

In addition, the Commission recently released an Order waiving, on its own motion, the limitation on the availability of uncapped high-cost universal service support for CETCs serving tribal lands (referred to by the FCC as "Covered Locations") in Docket No. 96-45, Order, FCC 09-16 (March 5, 2009). Specifically, this order waived the restriction limiting the availability of uncapped support "to one payment per each residential account". Notably, the FCC also clarified

Marlene H. Dortch, Secretary Page 2

that the waiver would apply retroactively, effective as of August 1, 2008 (the effective date of the *Interim Cap Order*).

Accordingly, Sagebrush again reiterates that it qualifies for, and has formally elected to utilize the limited exception to the interim cap established in the *Interim Cap Order*. Since we are still waiting for the release of a formal election methodology, we are filing our March 30th Form 525 with the total number of lines in service, and we are providing USAC with the number of qualified accounts, as amended by the FCC's recent order - Docket No. 96-45, Order, FCC 09-16 (March 5, 2009). We will provide USAC with a similar letter that quantifies the accounts served on the Tribal Lands (Fort Peck and Crow Reservations) in our designated study areas. The letter to USAC will establish that as of September 30th, 2008 (line counts represented on March 30th, 2009 Form 525) Sagebrush serves 6,268 qualifying accounts located on tribal lands constituting Covered Locations as defined in the *Interim Cap Order*, that should be an exception from the interim cap. This is out of a total of 11,737 lines reported on the Sagebrush Form 525 for Montana. Our understanding is that this means that 6,268 will be excepted and treated under the former identical support methodology, while 5,469 (11,737 – 6,268 = 5,469) will be treated under USAC's interim cap methodology.

Additionally, we will restate the June 30th, 2008 lines filed on our December 30th Form 525 to reflect adjustments caused by amendments in the FCC's recent order – Docket No. 96-45, Order, FCC 09-16 (March 5, 2009). These restated lines are 7,714 qualifying accounts located on tribal lands constituting Covered Locations as defined in the *Interim Cap Order*, that should be an exception from the interim cap. This is out of a total of 11,564 lines reported on the December 30th, 2008 Sagebrush Form 525.

Please direct any questions regarding this matter to the undersigned.

Sincerely,

Shawn Hanson Sagebrush GM

Shawn Hanson

Cc: Karen Majcher, USAC Vice President, High Cost & Low Income Division
Jennifer McKee, Acting Division Chief, CC Telecommunications Access Policy Division,
Wireline Competition Bureau

In addition, Sagebrush respectfully notes that it has not waived its right, as established by the *Interim Cap Order*, to determine subsequently the amount of high-cost support it receives on the basis of the submission of its own costs.



March 30, 2009



Via Overnight Delivery
Karen Majcher, Vice President
High Cost & Low Income Division
Universal Service Administrative Company
2000 L Street, NW, Ste. 200
Washington, DC 20036

Re: March 30, 2009 Form 525 filing with Tribal Lands Exception; and Federal-State Joint Board on Universal Service, CC Doc. No. 96-45; and High-Cost Universal Service Support, WC Docket No. 05-337

Dear Ms. Majcher:

Sagebrush Cellular, Inc. ("Sagebrush") is respectfully filing this letter in conjunction with its March 30th, 2009 Form 525 submission. We feel this letter is required for the FCC and USAC to establish a record that follows our December 30th, 2008 response to Commission's Public Notice issued on December 10, 2008, and designated DA 08-2684 in the above-referenced proceedings (the "Notice"), and our December 30th, 2008 Form 525 in which we elected to utilize the tribal land exception to the interim, emergency cap that the Commission established in its May 1, 2008 *Interim Cap Order*.

The Notice was issued in the context of the Commission's May 1, 2008 *Interim Cap Order* decision to establish an interim, emergency cap on the amount of universal service high-cost support that competitive ETCs (CETCs), including Sagebrush, may receive. In accordance with the *Interim Cap Order*, the CETC support for each state is capped, on an annualized basis, at that the level of support that each CETC in a state was eligible to receive during March 2008.

In the interval since the release of the *Interim Cap Order*, the FCC and USAC have not provided specific guidance for CETCs electing the tribal land exception to modify and appropriately report their tribal land exempted lines in their Form 525 submissions. Therefore we are utilizing our December 30th, 2008 letter, and this letter to specifically identify the lines that historically qualify for the exception.

In addition, the Commission recently released an Order waiving, on its own motion, the limitation on the availability of uncapped high-cost universal service support for CETCs serving tribal lands (referred to by the FCC as "Covered Locations") in Docket No. 96-45, Order, FCC 09-16 (March 5, 2009). Specifically, this order waived the restriction limiting the availability of uncapped support "to one payment per each residential account". Notably, the FCC also clarified

Karen Majcher, Vice President Page 2



that the waiver would apply retroactively, effective as of August 1, 2008 (the effective date of the *Interim Cap Order*).

Accordingly, Sagebrush again reiterates that it qualifies for, and has formally elected to utilize the limited exception to the interim cap established in the *Interim Cap Order*. Since we are still waiting for the release of a formal election methodology, we are filing our March 30th Form 525 with the total number of lines in service, and we are providing USAC with the number of qualified accounts, as amended by the FCC's recent order - Docket No. 96-45, Order, FCC 09-16 (March 5, 2009). We will provide USAC with a similar letter that quantifies the accounts served on the Tribal Lands (Fort Peck and Crow Reservations) in our designated study areas. The letter to USAC will establish that as of September 30th, 2008 (line counts represented on March 30th, 2009 Form 525) Sagebrush serves 6,268 qualifying accounts located on tribal lands constituting Covered Locations as defined in the *Interim Cap Order*, that should be an exception from the interim cap. This is out of a total of 11,737 lines reported on the Sagebrush Form 525 for Montana. Our understanding is that this means that 6,268 will be excepted and treated under the former identical support methodology, while 5,469 (11,737 – 6,268 = 5,469) will be treated under USAC's interim cap methodology.

Additionally, we will restate the June 30th, 2008 lines filed on our December 30th Form 525 to reflect adjustments caused by amendments in the FCC's recent order – Docket No. 96-45, Order, FCC 09-16 (March 5, 2009). These restated lines are 7,714 qualifying accounts located on tribal lands constituting Covered Locations as defined in the *Interim Cap Order*, that should be an exception from the interim cap. This is out of a total of 11,564 lines reported on the December 30th, 2008 Sagebrush Form 525.

Please direct any questions regarding this matter to the undersigned.

Sincerely,

Shawn Hanson Sagebrush GM

Shawn Hanson

Cc: Jennifer McKee, Acting Division Chief, FCC Telecommunications Access Policy Division, Wireline Competition Bureau CETCCap@USAC.org

In addition, Sagebrush respectfully notes that it has not waived its right, as established by the *Interim Cap Order*, to determine subsequently the amount of high-cost support it receives on the basis of the submission of its own costs.

COMPETITIVE CARRIERS HIGH COST DATA SUBMISSION

| (1) Quarterly Submission Date: | 03/27/2009 | : | | |
|---|---|--------------------------|--|--|
| (2) USAC Service Provider Identification Number | er (SPIN): | | 143000729 | Do Not Write in this Area: For Administrator's Use Only |
| (3) Company Study Area Code: (First time filers lea | ave blank and a Study Area Code will be assigned) | | 389013 | |
| (4) Study Area Name: | | Sagebrush Cellular, Inc. | | |
| (5) Company Legal Name: Sagebrus | h Cellular, Inc. dba Nemont | _ | | |
| (6) Filer 499 ID: | | | 805272 | |
| Check Box if this is a new address/contact from a | previous data submission: | | | |
| (7) Mailing Address: | PO Bo | x 600, Scobey, MT 59263 | 3-0600 | |
| (8) Contact Name: | Aimee Dietrich | (9) Title: | Billing/Finance/Accounting/Regulatory Mana | ger |
| (10) Telephone Number: | | 406-783-2225 | | |
| (11) E-mail Address: | aim | ee.dietrich@nemont.co | 000 | |

| (12) Mechanism for which you are requesting support: | : (13) Lines Reported as of: | (14) Type Original | of Filing (15) Worksheet to Complete Revision |
|--|------------------------------|-----------------------|---|
| High Cost Loop Support (HCL) | 9/30/2008 | х | Complete HCL and LSS |
| Local Switching Support (LSS) | 9/30/2008 | Х | Complete HCL and LSS |
| Interstate Common Line Support (ICLS) | 9/30/2008 | X | Complete ICLS Worksheet |
| High Cost Model Support (HCM) | | | Complete HCM Worksheet |
| Interstate Access Support (IAS) | | | Complete IAS Worksheet |

Competitive Carrier Information

FCC Form 525 High Cost Support Mechanism Competitive Carrier Line Count Report

HIGH COST LOOP (HCL) AND LOCAL SWITCHING SUPPORT (LSS) LINE COUNT WORKSHEET

| (2) USAC Service Provider Identification Number (SPIN): | | 1 | 43000729 | | | | Do Not Write in this Area: For Administrator's Use Only |
|--|--------------------|--------------------------|--------------------------|----------------------------------|----------------------------|--|---|
| (3) Company Study Area/Code: | | 389013 | | | 1 | | |
| (4) Study Area Name: | | Sagebrush Cellular, Inc. | | |] | | |
| (13) Lines Reported as of: | | 9/30/2008 | | |] | | |
| (14) Type of Filing: | | ORIO | SINAL | | | | |
| | | | | | | | |
| Line Count Data for Path 1, 2 & 3 Carriers Where carrier reports both UNEs and facilities based lines in the same So | AC or disaggregati | ion zone, carriei | r shall list UNEs | in a separate row. | | | |
| Complete one row for each disaggregation zone. | | hija ezgradásszá cs | | | | skoperatore solitik ave us | |
| (16) Incumbent Carrier Name | (17) Incumbent | (18) ETC Designation | (19) Path Designation | (20) Disaggregation Zone Name | (21) Wire Center CLLI Code | (22) Total Number of Lines in Service | (23) Were any lines provided through UNEs? If yes, please fill out the UNE Agreement Information. |
| Nemont Telephone Cooperative, Inc. | 382247 | Yes | Path 1 | | | 39 | No |
| Northwest Communications Cooperative | 381625 | Yes | Path 1 | | CRSBNDXARS2 | | No |
| Northwest Communications Cooperative | 381625 | Yes | Path 1 | | GRENNDXARS2 | 7 | No No |
| Northwest Communications Cooperative | 381625 | Yes | Path 1 | | RAYNDXADS2 | | No |
| Northwest Communications Cooperative | 381625 | Yes | Path 1 | | MRMNNDXARS2 | | No |
| | | | | | | | |
| | | | _ | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | - | | | | | | |
| | | | | - | | | |
| | | | | | | | |
| | | | | | | | |
| | **** | | | | | | |

Use an additional sheet if necessary.

FCC Form 525 High Cost Support Mechanism Competitive Carrier Line Count Report

INTERSTATE COMMON LINE SUPPORT (ICLS) LINE COUNT WORKSHEET

| (2) USAC Service Provider Identification Number (SPIN). | | | 143000729 | | | | Do Not Write in For Administrat | |
|---|-------------------------------|---|-----------------------|--|-------------------------------|--|------------------------------------|--|
| (3) Company Study Area Code: | 389013 | | | | | | | |
| (4) Study Area Name: | · | Sage | brush Cellular, Inc. | | | | | |
| (13) Lines Reported as of: | | | 9/30/2008 | | | | | |
| (14) Type of Filing: | | | ORIGINAL | | | | | |
| | | | | | | | | |
| Line Count Data for Path 1, 2 & 3 Carriers Complete one row for each disaggregation zone. | | | <u> </u> | | | | | |
| (24) Incumbent Carrier Name | (25) Incumbent Carrier SAC | (26) ETC Designation | (27) Path Designation | (28) Disaggregation Zone Name | (29)-Wire Center CLLI Code | (30) Residence & Single Line Business | (31) Multi-line Business | (32) Total Number of Lines in Service |
| Nemont Telephone Cooperative, Inc. | 482247 | Yes | Path 1 | | | 267 | | 267 |
| Northwest Communications Cooperative | 381625 | Yes | Path 1 | | CRSBNDXARS2 | 2 | | 2 |
| Northwest Communications Cooperative | 381625 | Yes | Path 1 | | GRENNDXARS2 | | | 7 |
| Northwest Communications Cooperative | 381625 | Yes | Path 1 | | RAYNDXADS2 | 1 | | 1 |
| Northwest Communications Cooperative | 381625 | Yes | Path 1 | | MRMNNDXARS2 | 2 | | 2 |
| | | | | | | | | |
| | | | | | | | | |
| | | <u>L. </u> | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | *** | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | <u> </u> | |
| | | | | | | - | | |

Use an additional sheet if necessary.

FCC Form 525 High Cost Mechanism Competitive Carrier Line Count Report

TO BE COMPLETED BY THE REPORTING CARRIER, IF THE REPORTING CARRIER IS FILING FCC FORM 525 ON ITS OWN BEHALF:

| Certification of Officer or Employee as to the Accuracy of the Data Reported in FCC Form 525, Line Count Report for Competitive Carriers, on Behalf of Reporting Carrier | | | | | | | |
|--|-------------------------------|--|--|--|--|--|--|
| I certify that I am an officer or employee of the reporting carrier; my responsibilities include ensuring the accuracy of the actual line Form 525; and, to the best of my knowledge, the information reported on this form is accurate. | count data reported on FCC | | | | | | |
| Name of Reporting Carrier: Sagebrush Cellular, Inc. | | | | | | | |
| Service Provider Identification Number: 143000729 | | | | | | | |
| Signature of authorized officer or employee: Shawn Harrson | Date: 03/27/2009 | | | | | | |
| Printed name of authorized officer or employee: Shawn Hanson | | | | | | | |
| Title or position of authorized officer or employee: CEO | | | | | | | |
| Telephone number of authorized officer or employee: (406) 783 - 2200 ext. | | | | | | | |
| Study Area Code of Reporting CETC 389013 Filing Due Date for this form (mm/dd/yyyy) 3/30/200 | 9 | | | | | | |
| Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001. | C. §§ 502, 503(b), or fine or | | | | | | |

Certification-Reporting Carrier Page 7

COMPETITIVE CARRIERS HIGH COST DATA SUBMISSION

| (1) Quarterly Submission Date: | 03/27/2009 | | |
|--|---|--|--|
| (2) USAC Service Provider Identification Numb | PROSPIN) | 143000729 | Do Not Write in this Area: For Administrator's Use Only |
| (3) Company Study Area Code: (First time filers le | ave blank and a Study Area Code will be assigned) | 489006 |] |
| [4] Study Area Name: | Sagebrush Cellular, | Inc. |] |
| (5) Company Legal Name: Sagebrus | h Cellular, Inc. dba Nemont | | |
| (6) Filer 499 ID: | | 805272 | |
| Check Box if this is a new address/contact from a | previous data submission: | | |
| (7) Mailing Address: | PO Box 600, Scobey, MT | 59263-0600 |] |
| (8) Contact Name: | Aimee Dietrich | tle: Billing/Finance/Accounting/Regulatory Manager | |
| (10) Telephone Number; | 406-783-2225 | | |
| (11) E-mail Address: | aimee.dietrich@nemo | ont.coop | |

| (12) Mechanism for which you are requesting support: | (13) Lines Reported as of: | | oe of Filing (| 15) Worksheet to Complete |
|--|----------------------------|---|----------------|---------------------------|
| High Cost Loop Support (HCL) | 9/30/2008 | X | C | omplete HCL and LSS |
| Local Switching Support (LSS) | 9/30/2008 | Х | C | omplete HCL and LSS |
| Interstate Common Line Support (ICLS) | 9/30/2008 | Х | c | Complete ICLS Worksheet |
| High Cost Model Support (HCM) | | | | Complete HCM Worksheet |
| Interstate Access Support (IAS) | | | | Complete IAS Worksheet |

Competitive Carrier Information

FCC Form 525 High Cost Support Mechanism Competitive Carrier Line Count Réport

HIGH COST LOOP (HCL) AND LOCAL SWITCHING SUPPORT (LSS) LINE COUNT WORKSHEET

| (2) USAC Service Provider Identification Number (SPIN): | - | 1- | 43000729 | | | | Do Not Write in this Area: For Administrator's Use Only |
|--|-------------------------------|-------------------------|--------------------------|-------------------------------|----------------------------|--|---|
| (3) Company Study Area Code: | 489006 | | | | | | - |
| (4) Study Area Name: | Sagebrush Cellular, Inc. | | | | | | |
| (13) Lines Reported as of: | | | 9/30/2008 | | | | |
| (14) Type of Filing: | | ORIG | SINAL | | | | |
| | | | | | | | |
| Line Count Data for Path 1, 2 & 3 Carriers Where carrier reports both UNEs and facilities based lines in the same S/ | AC or disaggregati | on zone, carrier | shall list UNEs | in a separate row. | | | |
| Complete one row for each disaggregation zone. | Marian establish | | (8) 15 CV = (15 LV 98) | | | | |
| (16) Incumbent Carrier Name | (17) Incumbent Carrier SAC | (18) ETC Designation | (19) Path Designation | (20) Disaggregation Zone Name | (21) Wire Center CLLI Code | (22) Total Number of Lines in Service | (23) Were any lines provided through UNEs' If yes, please fill out the UNE Agreement Information. |
| Nemont Telephone Cooperative, Inc. | 482247 | Yes | Path 1 | | | 10179 | No |
| Project Telephone Company | 482250 | Yes | Path 1 | | | 1558 | No |
| | | | | | - | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | 77 | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |

Use an additional sheet if necessary.

FCC Form 525 High Cost Support Mechanism Competitive Carrier Line Count Report

INTERSTATE COMMON LINE SUPPORT (ICLS) LINE COUNT WORKSHEET

| (2) USAC Service Provider Identification Number (SPIN): | | | 143000729 | | | | Do Not Write in For Administrat | this Area: or's Use Only |
|---|-------------------------------|-------------------------|-----------------------|----------------------------------|-------------------------------|--|------------------------------------|--|
| (3) Company Study Area Code: | | | 489006 | | | ļ | | |
| (4) Study Area Name: | | Sage | brush Cellular, Inc. | | | | | |
| (13) Lines Reported as of: | | | 9/30/2008 | | | | | |
| (14) Type of Filing: | | | ORIGINAL | | | | | |
| | | | | | | l | | |
| Line Count Data for Path 1, 2 & 3 Carriers Complete one row for each disaggregation zone. | · | | | | | | | |
| (24) incumbent Carrier Name | (25) Incumbent Carrier SAC | (26) ETC Designation | (27) Path Designation | (28) Disaggregation Zone Name | (29) Wire Center CLLI Code | (30) Residence & Single Line Business | (31) Multi-line Business | (32) Total Number of Lines in Service |
| Nemont Telephone Cooperative, Inc. | 482247 | Yes | Path 1 | | | 10179 | | 10179 |
| Project Telephone Company | 482250 | Yes | Path 1 | | | 1558 | | 1558 |
| | | | | | | - | | |
| | | | | | - | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | _ | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | 1 | |
| | | | <u> </u> | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |

Use an additional sheet if necessary.

1CLS Line Count Worksheet

FCC Form 525 OMB Control No. 3060-0986 January 2005

TO BE COMPLETED BY THE REPORTING CARRIER, IF THE REPORTING CARRIER IS FILING FCC FORM 525 ON ITS OWN BEHALF:

| Certification of Officer or Employee as to the Accuracy of the Data Reported in FCC Form 525, Line Count I Behalf of Reporting Carrier | Report for Competitive Carriers, on |
|---|--|
| I certify that I am an officer or employee of the reporting carrier; my responsibilities include ensuring the accuracy of the act Form 525; and, to the best of my knowledge, the information reported on this form is accurate. | tual line count data reported on FCC |
| Name of Reporting Carrier: Sagebrush Cellular, Inc. | |
| Service Provider Identification Number. 143000729 | |
| Signature of authorized officer or employee: Shawn Haman | Date: 03/27/2009 |
| Printed name of authorized officer or employee: Shawn Hanson | |
| Title or position of authorized officer or employee: CEO | |
| Telephone number of authorized officer or employee: (406) 783 - 2200 ext. | Elizabeth de tracta de la companya d |
| Filling Due Date for this form Study Area Code of Reporting CETC 489006 (mm/dd/yyyy) 3 | 3/30/2009 |
| Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001. | 47 U.S.C. §§ 502, 503(b), or fine or |